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# **Tobin & Co.**

Whitewater Township

Grand Traverse County, Michigan

Audit Report

For the Year Ended March 31, 2007

## Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name <b>Whitewater Township</b>	County <b>Grand Traverse</b>
Fiscal Year End <b>3/31/07</b>	Opinion Date <b>9/19/07</b>	Date Audit Report Submitted to State <b>9/28/07</b>	

We affirm that:

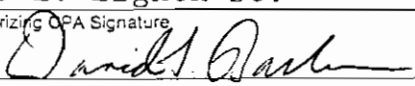
We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

- YES ☒ NO ☐ Check each applicable box below. (See instructions for further detail.)
- ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
  - ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
  - ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
  - ☒ ☐ The local unit has adopted a budget for all required funds.
  - ☒ ☐ A public hearing on the budget was held in accordance with State statute.
  - ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
  - ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
  - ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
  - ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
  - ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
  - ☒ ☐ The local unit is free of repeated comments from previous years.
  - ☒ ☐ The audit opinion is UNQUALIFIED.
  - ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
  - ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
  - ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input checked="" type="checkbox"/>		
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) <b>Tobin &amp; Co., P.C.</b>		Telephone Number <b>231-947-0151</b>	
Street Address <b>400 E. Eighth St.</b>		City <b>Traverse City</b>	State <b>MI</b>
Authorizing CPA Signature 		Printed Name <b>DAVID L. HASLER</b>	Zip <b>49686</b>
		License Number <b>1101013418</b>	

# Tobin & Co.

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INTRODUCTORY SECTION

# **Tobin & Co.**

## Comments and Recommendations

We have audited the basic financial statements and the individual fund financial statements of Whitewater Township, Grand Traverse County, for the year ended March 31, 2007 and have issued our report thereon. As part of our examination, we made a study and evaluation of the Township's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the Township's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

Our study and evaluation made for the limited purpose described above would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal control of Whitewater Township taken as a whole. As a result of our examination, we respectfully submit the following comments and recommendations.

### General

The accounting records were maintained in excellent condition by your Clerk and Treasurer. Recorded revenues were deposited timely and intact, journals and ledgers were properly posted, Board minutes were maintained in proper order, and supporting documents and follow-up procedures appeared to be in very good order. The efforts of these officials during 2006-2007 are commendable.

### Budgets and Procedures

The Township prepared and adopted budgets for its General and Special Revenue Funds. See Note 2 of the "Notes to Financial Statements".

### General Fund

The General Fund is presented on Schedule 1 of this report.

### Fire Fund

This fund, presented on Schedule 2, is used to account for the special voted tax for fire protection. The Fund balance at March 31, 2007 was \$123,977.

### Park Fund

This fund, presented on Schedule 3, is used to account for revenues generated through the use of Township parks. Such revenues are used to operate and maintain the parks. In addition, this fund received an appropriation of \$5,244 from the General Fund during the audit year. The Fund balance at March 31, 2007 was \$909.

### Public Improvement Fund

This Fund, permitted by Act 136 of 1956, as amended, is presented on Schedule 4. It is used to set aside certain miscellaneous revenues for future public improvements authorized by statute. During the audit year, the Fund received State and private grants of \$1,812,374 and \$597,626 respectively, and earned interest of \$508. The fund purchased land of \$2,419,000 for conservation and recreational purposes. The Fund balance at March 31, 2007 was \$3,288.

### Fire Capital Improvement Fund

This fund, presented on Schedule 5, is used to account for monies set aside for the acquisitions of property and buildings. Revenues consisted of a private grant (in-kind) of \$12,200 and earned interest of \$8,116 along with proceeds of a loan of \$64,667, and an operating transfer of \$38,000 from the Fire Fund. The Fund balance at March 31, 2007 was \$235,369.

### WMDLS Road Special Assessment Fund

This fund, presented on Schedule 6, is used to account for special assessment revenues of \$256,995, proceeds of a bond issue of \$1,285,746, and earned interest of \$53,339. The fund balance at March 31, 2007 was \$1,245,107.

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## Comments and Recommendations

### Road Fund

This fund, presented on Schedules 7 and 8, was initiated by Board resolution and is used to account for Metro Act State Shared Revenues. Metro Act revenues for the fiscal year were \$5,714. Expenditures of \$1,366 were used for right-of-way maintenance. The fund balance at March 31, 2007 was \$10,980.

### Ambulance Fund

This fund, presented on Schedules 7 and 8, is used to account for revenues derived from ambulance runs which are used to finance the Township ambulance operations. In addition, this Fund received appropriations of \$13,600 from the General Fund during the audit year. The fund balance at March 31, 2007 was \$5,302.

### Ambulance Replacement Fund

This fund, presented on Schedules 7 and 8, is used to account for monies set aside for a future ambulance purchase. Revenues for the year consisted of \$1,006 in earned interest. The Fund balance at March 31, 2007 was \$19,644.

### Recreation Fund

This fund, presented on Schedules 7 and 8, is used to account for revenues generated from fees for use of recreational facilities. The Fund balance at March 31, 2007 was \$6,629.

### Property Tax Collections

The collection and distribution of the 2006 tax levy was handled in an excellent manner by the Township Treasurer. Paid receipts were filed in order of payment. Deposits were made timely and intact. Distributions to taxing units during the collection period were in accordance with statutory requirements.

See Schedules 9 for a summary of the 2006 property tax levy and collections.

### Property Tax Administration Fees

A 1% Property Tax Administration fee is authorized by statute to offset such property tax administration costs as assessing, collecting, and the review and appeal process. Fee collections may be used for no other purpose. We note that Whitewater Township complied with statutory provisions as its accumulated administrative expenses exceed fee collections by \$208,947.

### Payroll Procedures

The Clerk maintains excellent payroll records. Payroll withholdings were promptly remitted to various agencies and required reports were properly prepared. The Clerk's efforts are commendable.

### Pension Plan

We noted that the Township has a pension plan for its elected officials and full-time employees through John Hancock Life Insurance. The Township pays 100% of the cost.

### Ambulance Billings

At March 31, 2007, unpaid accounts totaled \$3,138. The Board periodically takes action to write-off uncollectible accounts. An outside billing agency and a collection agency are utilized.

### Insurance and Surety Bond Coverage

Records indicate that the Township is insured through Municipal Underwriters of Michigan and has such coverage as fire and extended coverage, general liability, errors and omissions, workmen's compensation, equipment and crime coverage. Board minutes indicate that coverage was reviewed during the audit year. The Clerk, Treasurer, and their deputies, as well as the Supervisor, have specific surety bond coverage and the Township has a blanket surety bond for other employees.

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# **Tobin & Co.**

## Comments and Recommendations

### Other Data

We are pleased to note the use of interest bearing depository accounts. Investment practices resulted in earned interest of \$90,243 during the audit year. This is commendable on the part of the Treasurer and other Board members.

After completion of our audit, we will submit the necessary copies of our report to the State Department of Treasury.

We again commend the Clerk and Treasurer for the excellent condition of the Township accounting records. We further appreciate the courtesy extended our field auditors in the conduct of this audit.

Your confidence is respected. Please contact us if questions arise or assistance is needed.

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# **Tobin & Co.**

## FINANCIAL SECTION



# Tobin & Co.

## REPORT OF INDEPENDENT AUDITOR

To the Township Board  
Whitewater Township  
Grand Traverse County  
Williamsburg, Michigan 49690

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate of remaining fund information of Whitewater Township as of and for the year ended March 31, 2007, which collectively comprise the Township's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate of remaining fund information of Whitewater Township, Grand Traverse County at March 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the GASB. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Table of Contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements of Whitewater Township. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



TOBIN & CO., P.C.  
Certified Public Accountants  
September 19, 2007

# Tobin & Co.

## Whitewater Township Management Discussion and Analysis Letter

As the Township Board of the Whitewater Township, we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of Whitewater Township for the fiscal year ended March 31, 2007.

### Financial Highlights

The assets of Whitewater Township exceeded its liabilities at the close of the most recent fiscal year by \$6,900,676. Of this amount, \$299,737 may be used to meet the Township's ongoing General Fund obligations to citizens and creditors.

As of the close of the current fiscal year, Township's governmental funds reported combined ending fund balances of \$1,950,952, an increase of \$1,302,211 in comparison with the prior year.

At the end of the current fiscal year, unreserved fund balance for the general fund was \$299,737, or 80% of total general fund expenditures.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Whitewater Township's basic financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information, in addition to the basic financial statements themselves.

**Government-wide financial statements:** The government-wide financial statements are designed to provide readers with a broad overview of the Township's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Township's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the Township's financial position is improving or deteriorating.

The statement of activities presents information showing how the Township's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused credits, and used but not paid expenses).

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Township include: general government, public safety, parks and recreation, road projects, and township improvements. The business-type activities of the Township include sewer operations.

**Fund Financial Statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Whitewater Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Whitewater Township maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, Fire Fund, Park Fund, Public Improvement Fund, Fire Capital Improvement Fund, and WMDLS Road Special Assessment Fund which are considered to be major funds. All Township government activities are included in these six funds plus four non-major governmental funds.

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The Township adopts an annual appropriated budget for its general fund, special revenue and permanent funds. Budgetary comparison statements have been provided for the general fund and other governmental funds to demonstrate compliance with this budget.

**Proprietary funds:** Whitewater Township maintains one individual proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Township uses an enterprise fund to account for its sewer activities.

**Fiduciary funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Township's own programs.

The basic fiduciary fund financial statement can be found on page 19 of this report.

**Notes to the financial statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## Fund Analysis and Highlights

### General Fund

- Work continued on the proposed zoning ordinance.
- Cell tower lease was signed and additional funds are supplementing the general fund revenues.
- A non-development oil and gas lease was signed for the Petobego Natural Area property and the funds are supplementing the general fund.
- A successful clean-up day was held again.

### Park Fund

- Grant received and electricity added to 13 sites at Whitewater Township Park. All sites now have electricity.
- Prison crew from Camp Pugsley utilized to clear trees from sites at Whitewater Township Park.

### Recreation Fund

- Renewal of millage was voted down by electors.

### Public Improvement Fund

- Acquisition of the 255 acres known as the Battle Creek Natural Area was finalized. Funds for acquisition were from the Michigan Natural Resources Trust Fund and the Grand Traverse Regional Conservancy.

### Fire Capital Improvement Fund

- Funds saved from previous fiscal years were used to purchase property for a new fire station.

### WMDLS Special Assessment Fund

- A road special assessment district was created to pave 3.5 miles of the five roads in the district.

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## Condensed Financial Information

	March 31, 2007			March 31, 2006		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and Other Assets	\$ 3,506,665	\$ 285,347	\$ 3,792,012	\$ 705,637	\$ 302,366	\$ 1,008,003
Capital Assets	4,610,730	297,099	4,907,829	1,805,743	304,045	2,109,788
Total Assets	<u>\$ 8,117,395</u>	<u>\$ 582,446</u>	<u>\$ 8,699,841</u>	<u>\$ 2,511,380</u>	<u>\$ 606,411</u>	<u>\$ 3,117,791</u>
Long-term Liabilities	\$ 1,373,790	\$ 198,135	\$ 1,571,925	\$ 72,667	\$ 217,756	\$ 290,423
Other Liabilities	227,044	196	227,240	23,041	5,555	28,596
Total Liabilities	<u>\$ 1,600,834</u>	<u>\$ 198,331</u>	<u>\$ 1,799,165</u>	<u>\$ 95,708</u>	<u>\$ 223,311</u>	<u>\$ 319,019</u>
Net Assets:						
Invested in Capital Assets	\$ 3,236,940	\$ 98,964	\$ 3,335,904	\$ 1,733,076	\$ 86,289	\$ 1,819,365
Restricted	1,255,486	-	1,255,486	6,031	-	6,031
Unrestricted	<u>2,024,135</u>	<u>285,151</u>	<u>2,309,286</u>	<u>676,575</u>	<u>296,811</u>	<u>973,386</u>
Total Net Assets	<u>\$ 6,516,561</u>	<u>\$ 384,115</u>	<u>\$ 6,900,676</u>	<u>\$ 2,415,682</u>	<u>\$ 383,100</u>	<u>\$ 2,798,782</u>
	March 31, 2007			March 31, 2006		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Program Revenues						
Charges for Services	\$ 159,111	\$ 19,742	\$ 178,853	\$ 131,676	\$ 19,471	\$ 151,147
Operating Grants and Contributions	35,814	-	35,814	7,067	-	7,067
Capital Grants and Contributions	3,972,200	-	3,972,200	-	-	-
General Revenues						
Property Taxes	314,320	-	314,320	327,152	-	327,152
State Shared Revenues	168,325	-	168,325	166,617	-	166,617
Unrestricted Investments Earnings	83,045	7,198	90,243	22,474	2,623	25,097
Miscellaneous	<u>64,338</u>	<u>-</u>	<u>64,338</u>	<u>25,712</u>	<u>-</u>	<u>25,712</u>
Total Revenues	<u>4,797,153</u>	<u>26,940</u>	<u>4,824,093</u>	<u>680,698</u>	<u>22,094</u>	<u>702,792</u>
Program Expenses						
Legislative	43,777	-	43,777	49,674	-	49,674
General Government	273,691	-	273,691	247,958	-	247,958
Public Safety	190,920	-	190,920	179,821	-	179,821
Public Works	1,366	25,925	27,291	1,215	26,366	27,581
Recreation and Cultural	133,301	-	133,301	164,068	-	164,068
Interest on Debt Service	<u>53,209</u>	<u>-</u>	<u>53,209</u>	<u>3,641</u>	<u>-</u>	<u>3,641</u>
Total Expenses	<u>696,264</u>	<u>25,925</u>	<u>722,189</u>	<u>646,377</u>	<u>26,366</u>	<u>672,743</u>
Change in Net Assets	<u>\$ 4,100,889</u>	<u>\$ 1,015</u>	<u>\$ 4,101,904</u>	<u>\$ 34,321</u>	<u>\$ (4,272)</u>	<u>\$ 30,049</u>

## Capital Asset and Debt Administration

**Capital assets:** The Township's investment in capital assets for its governmental activities as of March 31, 2007, amounts to \$4,610,730. This investment in capital assets includes: several parcels of land, Township Hall, Parks facilities, Fire and Rescue buildings, Fire and Rescue Trucks and Equipment, and Office Equipment and Computers. All of our government funds report capital outlays as expenditures. However, the cost of the assets is allocated over their useful lives. This fiscal year the amount by which capital outlays exceeded depreciation was \$4,610,730.

**Cash Assets:** At the end of the current fiscal year, the Township had \$2,094,857 in cash and other spendable assets. The Township is limited by State law in how it can invest these funds, and we have made no changes in our investment strategy in several years.

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**Long-term Debt:** At the end of the current fiscal year, the Township had \$1,250,000 in bonded road debt and \$198,135 in bonded sewer debt and \$123,790 of installment debt outstanding.

**Pension Plan:** The Township makes contributions equal to approximately 10% of each qualified employee's wage to John Hancock Life Insurance Co. on behalf of each participating employee. This is an expensed item in the budget and totaled \$11,478 for the fiscal year.

**Currently Known Facts, Decisions, or Conditions Expected to Significantly Effect Next Year and Beyond**

- Work will continue on the proposed zoning ordinance.
- The management plan for the Battle Creek Natural Area will be created.
- A grant will be applied for to assist with planning and architectural services for a new fire station.
- A work group will be informing residents and planning for a new fire station.
- Grants will be applied for to carry out the management plans for Petobego Natural Area, Battle Creek Natural Area and Hi Pray Park.

**Requests for Information**

This financial report is designed to provide a general overview of Whitewater Township's finances for all those with an interest in the Township's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Whitewater Township, Carol Hockin, Clerk, P. O. Box 159, Williamsburg, MI 49690.

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## Whitewater Township Statement of Net Assets March 31, 2007

<u>Assets</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 1,932,647	\$ 162,210	\$ 2,094,857
Receivables:			
Due Within One Year	245,349	21,245	266,594
Due in More Than One Year	1,328,669	101,892	1,430,561
Capital Assets:			
Land	3,673,379	26,000	3,699,379
Other Capital Assets, Net of Depreciation	642,520	267,236	909,756
Intangible Assets, Net of Amortization	<u>294,831</u>	<u>3,863</u>	<u>298,694</u>
Total Assets	<u>8,117,395</u>	<u>582,446</u>	<u>8,699,841</u>
<u>Liabilities</u>			
Accounts Payable and Accrued Expenses	217,092	196	217,288
Deferred Revenue	9,952	-	9,952
Long-term Liabilities, Net of Discounts:			
Due Within One Year	94,833	20,000	114,833
Due in More Than One Year	<u>1,278,957</u>	<u>178,135</u>	<u>1,457,092</u>
Total Liabilities	<u>1,600,834</u>	<u>198,331</u>	<u>1,799,165</u>
<u>Net Assets</u>			
Invested in Capital Assets and Intangible Assets, Net of Related Debt	3,236,940	98,964	3,335,904
Restricted	1,255,486	-	1,255,486
Unrestricted	<u>2,024,135</u>	<u>285,151</u>	<u>2,309,286</u>
Total Net Assets	<u>\$ 6,516,561</u>	<u>\$ 384,115</u>	<u>\$ 6,900,676</u>

See Accompanying Notes to Basic Financial Statements

Whitewater Township  
Statement of Activities  
March 31, 2007

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets		
		Fees and Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Legislative	\$ 43,777	\$ -	\$ -	\$ -	\$ (43,777)	\$ -	\$ (43,777)
General Government	273,691	27,526	10,000	-	(236,165)	-	(236,165)
Public Safety	190,920	31,130	20,100	12,200	(127,490)	-	(127,490)
Public Works	1,366	-	5,714	1,550,000	1,554,348	-	1,554,348
Recreation and Cultural	133,301	100,455	-	2,410,000	2,377,154	-	2,377,154
Interest on Debt Service	53,209	-	-	-	(53,209)	-	(53,209)
Total Governmental Activities	696,264	159,111	35,814	3,972,200	3,470,861	-	3,470,861
Business-type Activities:							
Sewer	25,925	19,742	-	-	-	(6,183)	(6,183)
Total Business-type Activities	25,925	19,742	-	-	-	(6,183)	(6,183)
Total	\$ 722,189	\$ 178,853	\$ 35,814	\$ 3,972,200	3,470,861	(6,183)	3,464,678
General Revenues:							
Taxes					314,320	-	314,320
State Shared Revenues					168,325	-	168,325
Investment Earnings					83,045	7,198	90,243
Miscellaneous					64,338	-	64,338
Total General Revenues					630,028	7,198	637,226
Change in Net Assets					4,100,889	1,015	4,101,904
Net Assets – Beginning					2,415,672	383,100	2,798,772
Net Assets – Ending					\$ 6,516,561	\$ 384,115	\$ 6,900,676

See Accompanying Notes to Basic Financial Statements

Whitewater Township  
Balance Sheet  
Governmental Funds  
March 31, 2007

Assets	General	Fire Fund	Park Fund	Public Improvement Fund	Fire Capital Improvement Fund	WMDLS Road Spec. Assess. Fund	Other Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents	\$ 292,690	\$ 113,210	\$ 3,084	\$ 17,657	\$ 235,369	\$ 1,230,024	\$ 40,188	\$ 1,932,222
Petty Cash	425	-	-	-	-	-	-	425
Accounts Receivable	25,254	10,791	-	-	-	-	3,377	39,422
Special Assessments Receivable:								
Delinquent	-	-	-	-	-	20,814	-	20,814
Deferred	-	-	-	-	-	1,328,669	-	1,328,669
Interest Receivable on Assessments	-	-	-	-	-	3,876	-	3,876
Due from Other Funds	9,607	-	-	-	-	-	-	9,607
Due from Other Units	-	-	-	181,237	-	-	-	181,237
Total	\$ 327,976	\$ 124,001	\$ 3,084	\$ 198,894	\$ 235,369	\$ 2,583,383	\$ 43,565	\$ 3,516,272

Liabilities and Fund Equity

<b>Liabilities:</b>								
Accounts Payable	\$ 18,277	\$ 24	\$ 2,175	\$ 195,606	\$ -	\$ -	\$ 1,010	\$ 217,092
Due to Other Funds	-	-	-	-	-	9,607	-	9,607
Deferred Revenue	9,952	-	-	-	-	1,328,669	-	1,338,621
Total	28,229	24	2,175	195,606	-	1,338,276	1,010	1,565,320
<b>Fund Equity:</b>								
Fund Balance – Reserved	10	-	-	-	-	1,245,107	10,369	1,255,486
Fund Balance – Unreserved	299,737	123,977	909	3,288	235,369	-	32,186	695,466
Total	299,747	123,977	909	3,288	235,369	1,245,107	42,555	1,950,952
Total Liabilities and Fund Equity	\$ 327,976	\$ 124,001	\$ 3,084	\$ 198,894	\$ 235,369	\$ 2,583,383	\$ 43,565	\$ 3,516,272

Amounts reported for governmental activities on the statement of net assets are different because:

Capital and intangible assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Long-term receivables reported in the statement of net assets are not financial resources and therefore are deferred in the funds.

Long-term liabilities do not use current financial resources and therefore are not reported in the funds.

Net assets of governmental activities.

See Accompanying Notes to Basic Financial Statements

**Tobin & Co.**



Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended March 31, 2007

	General	Fire Fund	Park Fund	Public Improvement Fund	Fire Capital Improvement Fund	WMDLS Road Spec. Assess. Fund	Other Governmental Funds	Total Governmental Funds
<u>Revenues</u>								
Taxes	\$ 165,378	\$ 148,745	-	\$ -	\$ -	\$ -	\$ 197	\$ 314,320
Licenses and Permits	24,262	-	-	-	-	-	-	24,262
State Grants	168,325	-	-	1,812,374	-	-	5,714	1,986,413
Charges for Services	8,223	-	97,186	-	-	-	25,224	130,633
Interest and Rents	34,318	7,153	2,560	508	8,116	53,339	2,004	107,998
Other	17,734	5,983	20,320	597,626	12,200	250,995	-	904,858
Total	418,240	161,881	120,066	2,410,508	20,316	304,334	33,139	3,468,484
<u>Expenditures</u>								
Legislative	43,777	-	-	-	-	-	-	43,777
General Government	235,130	-	-	-	-	-	-	235,130
Public Safety	61,347	120,445	-	-	-	-	-	181,792
Public Works	-	-	-	-	-	-	1,366	1,366
Recreation and Cultural	-	-	92,863	-	-	30	12,293	105,186
Other	26,499	-	-	-	-	-	-	26,499
Capital Outlay	6,348	-	15,617	2,419,000	109,669	294,831	10,718	2,856,183
Debt Service	-	-	16,641	-	-	50,112	-	66,753
Total	373,101	120,445	125,121	2,419,000	109,669	344,973	24,377	3,516,686
<u>Excess Revenues (Expenditures)</u>	45,139	41,436	(5,055)	(8,492)	(89,353)	(40,639)	8,762	(48,202)
<u>Other Financing Sources (Uses)</u>								
Proceeds of Loan	-	-	-	-	64,667	1,285,746	-	1,350,413
Operating Transfers In	-	-	5,244	-	38,000	-	13,600	56,844
Operating Transfers (Out)	(18,844)	(38,000)	-	-	-	-	-	(56,844)
Total	(18,844)	(38,000)	5,244	-	102,667	1,285,746	13,600	1,350,413

# Tobin & Co.

	General	Fire Fund	Park Fund	Public Improvement Fund	Fire Capital Improvement Fund	WMDLS Road Spec. Assess. Fund	Other Governmental Funds	Total Governmental Funds
Excess Revenues (Expenditures) and Other Financing Sources (Uses)	26,295	3,436	189	(8,492)	13,314	1,245,107	22,362	1,302,211
Fund Balance – Beginning of Year	273,452	120,541	720	11,780	222,055	-	54,047	
Fund Balance – End of Year	\$ 299,747	\$ 123,977	\$ 909	\$ 3,288	\$ 235,369	\$ 1,245,107	\$ 76,409	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets over their useful lives is reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year.								2,806,878
Receipt of principal on long-term receivables are revenues in the governmental funds but a reduction of assets in the statement of activities.								(221,331)
Proceeds of long-term debt are a revenue in the governmental funds but long-term liability in the statement of net assets and not a revenue in the statement of activities.								(1,350,413)
Special Assessments are capital contributions in the statement of net assets but deferred revenue for government funds.								1,550,000
Repayment of note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount of repayment during the period.								13,544
Change in net asset of governmental activities								\$ 4,100,889

See Accompanying Notes to Basic Financial Statements

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# Tobin & Co.

Whitewater Township  
Statement of Net Assets  
Proprietary Funds  
March 31, 2007

	Enterprise Fund and Total Miami Beach Sewer Fund
<u>Assets</u>	
Cash and Cash Equivalents	\$ 162,210
Accounts Receivable	3,991
Special Assessments Receivable:	
Delinquent	1,669
Deferred	116,405
Interest Receivable on Assessments	1,072
Capital Assets:	
Land	26,000
Other Capital Assets, Net of Depreciation	267,236
Intangible Assets, Net of Amortization	<u>3,863</u>
Total Assets	<u>582,446</u>
<u>Liabilities</u>	
Accounts Payable and Accrued Expenses	196
Long-term Liabilities, Net of Discounts:	
Due Within One Year	20,000
Due in More Than One Year	<u>178,135</u>
Total Liabilities	<u>198,331</u>
<u>Net Assets</u>	
Invested in Capital and Intangible Assets, Net of Related Debt	98,964
Unrestricted	<u>285,151</u>
Total Net Assets	<u>\$ 384,115</u>

See Accompanying Notes to Basic Financial Statements

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenses and Changes in Net Assets  
Proprietary Funds  
For the Year Ended March 31, 2007

Enterprise Fund  
and Total  
Miami Beach  
Sewer Fund

Operating Revenues

Fees and Charges	\$ 11,431
Special Assessments	8,311
Interest	<u>7,198</u>
Total Operating Revenues	<u>26,940</u>

Operating Expenses

Contractual Services	7,131
Debt Service Interest and Fees	11,848
Depreciation and Amortization	<u>6,946</u>
Total Operating Expenses	<u>25,925</u>

<u>Net Income</u>	1,015
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<u>Retained Earnings – Beginning of Year</u>	<u>40,861</u>
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<u>Retained Earnings – End of Year</u>	<u>\$ 41,876</u>
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See Accompanying Notes to Basic Financial Statements

# Tobin & Co.

Whitewater Township  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended March 31, 2007

Enterprise Fund  
and Total  
Miami Beach  
Sewer Fund

Operating Activities

Collections of Charges for Services	\$ 11,431
Collections of Special Assessments	21,374
Collections of Interest	7,198
Deduct Expenses Using Cash and Cash Equivalents	<u>(23,959)</u>
Net Cash Flow from Operating Activities	<u>16,044</u>

Capital Financing Activities

Principal Payments	<u>(20,000)</u>
Cash Flow Used by Capital Financing Activities	<u>(20,000)</u>

Net Increase (Decrease) in Cash (3,956)

Balance of Cash – Beginning of Year 166,166

Balance of Cash – End of Year \$ 162,210

Reconciliation of Net Income with Net Cash Flow from Operating Activities

Net Income	\$ 1,015
Add Depreciation and Amortization	7,325
Decrease in Receivables	13,063
Decrease in Payables	<u>(5,359)</u>
Net Cash Flow from Operating Activities	<u>\$ 16,044</u>

See Accompanying Notes to Basic Financial Statements

# **Tobin & Co.**

## Whitewater Township Statement of Fiduciary Net Assets March 31, 2007

### Assets

Cash and Investments	\$ <u>5</u>
Total Assets	<u>5</u>

### Liabilities

Undistributed Taxes and Interest	<u>5</u>
Total Liabilities	<u>5</u>
Net Assets	\$ <u>-</u>

See Accompanying Notes to Basic Financial Statements

# Tobin & Co.

## Whitewater Township Notes to Financial Statements March 31, 2007

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

Whitewater Township is a general law township located in Grand Traverse County, Michigan. Population as of the 2000 census was 2,467, and the current State equalized valuation of the year of audit was \$258,934,764.

The Township's basic financial statements include the accounts of all Township operations. The criteria for including organizations within the Township's reporting entity, as set forth in GASB No. 14, "*The Financial Reporting Entity*" includes oversight responsibility, fiscal dependency and whether the financial statements would be misleading if data were not included.

Based on the above criteria, there are no other organizations included in these financial statements.

#### B. Basis of Presentation

The government-wide financial statements (the statement of net assets and the statement of changes in net assets) report information on all of the activities of the Township. The effect of interfund activity, within the governmental activities column, has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

#### Fund Financial Statements:

The Township segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The Township has presented the following governmental funds:

General Fund – This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the Township. Revenues are derived primarily from property taxes, state distributions or grants, and other intergovernmental revenues.

Special Revenue Funds – These funds are used to account for specific governmental revenues (other than expendable trusts and major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

# **Tobin & Co.**

Whitewater Township  
Notes to Financial Statements  
March 31, 2007

## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **B. Basis of Presentation (Continued)**

#### **Proprietary Funds**

These funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position, and cash flow. All assets and liabilities are included in the statement of net assets.

#### **Fiduciary Funds**

These funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

### **C. Measurement Focus/Basis of Accounting**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund and agency fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Township considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The revenue susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. All other governmental fund revenues are recognized when received.

### **D. Budgets**

The General Fund and Special Revenue Funds are under formal budgetary control. Budgets shown in the financial statements for these funds were prepared on a basis not significantly different from the modified accrual basis used to reflect actual results and consist only of those amounts contained in the formal budget approved and amended by the Township.

In the body of the financial statements and the required supplementary schedules, the Township's actual and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets for these funds were adopted to the activity or cost center level.

For budgetary purposes appropriations lapse at fiscal year end.



# Tobin & Co.

## Whitewater Township Notes to Financial Statements March 31, 2007

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### E. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Township considers all short-term debt securities purchased with a remaining maturity of three months or less when purchased to be cash equivalents.

#### F. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental columns or business-type activities in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest is capitalized during the construction period on property, plant and equipment.

Assets capitalized have an original cost of \$1,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Land Improvements	20 years
Sewer Systems	50 years
Buildings	30 – 60 years
Building Improvements	10 – 30 years
Vehicles	3 – 10 years
Office Furniture	3 – 10 years
Equipment	3 – 10 years

#### G. Property Tax Procedures and Collections

Properties are assessed as of December 31 and the related property taxes become a lien the following July 1 and/or December 1. Real property taxes are collected by the Township Treasurer through February 28 of each year. As of March 1, uncollected real property taxes are returned delinquent to, and collected by, the County Treasurer. Personal property taxes remain the responsibility of the Township Treasurer to collect. It is the policy of the Township to record the real property taxes in the year of levy.

During the collection period prior to March 1, the Township Treasurer makes distribution of the property tax collections to the various taxing units (County, School District, etc ) as required by statute.

For the fiscal year the Township levied property taxes as follows:

	SEV	Taxable Value	Millage Rate
General Operating	\$258,934,764	\$154,550,700	.6090
Fire Protection	\$258,934,764	\$154,550,700	1.0000

#### H. Special Assessment Revenue

Special Assessment Revenue is recognized in the year of levy. The Township has elected to recognize advance payments of special assessments as revenue upon receipt rather than allocating a portion of such payments to each year's levy.

#### I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

# **Tobin & Co.**

Whitewater Township  
Notes to Financial Statements  
March 31, 2007

## **NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

- A. We noted no material violations of legal provisions and/or contractual provisions of various agreements related to financial matters.
- B. All funds had positive fund balances at March 31, 2007.
- C. Public Act 621 of 1978, §18, provides that a local unit shall not incur expenditures in excess of the amount appropriated. During the year ended March 31, 2007, the Board of Review cost center overexpended its budget by \$49 without formal budget amendment.

## **NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS**

### **A. Legal Provisions for Deposits and Investments**

Act 20, Public Acts of 1943, as amended by Act 217, Public Acts of 1982, and Act 196, Public Acts of 1997, states that the Township, by resolution, may authorize the Treasurer to invest surplus funds as follows:

- (1) In bonds and other direct obligations of the United States or an agency or instrumentality of the United States.
- (2) In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation or a credit union which is insured by the National Credit Union Administration, but only if the bank, savings and loan association, or credit union complies with subsection (2).
- (3) In commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and which matures not more than 270 days after date of purchase.
- (4) In repurchase agreements consisting of instruments defined in (1) above.
- (5) In bankers' acceptances of United States Banks.
- (6) In obligations of the State of Michigan or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.
- (7) In mutual funds registered under the investment company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by local units of government in Michigan.

### **B. Types of Deposits and Investments**

The Township had \$457,524 deposited with local financial institutions at March 31, 2007 with a carrying value of \$419,509. Interpreting the FDIC insurance coverage of \$100,000 of demand deposits and \$100,000 of time deposits per financial institution, the Township had \$257,524 of uninsured deposits at March 31, 2007. The Township had \$670,186 invested with MBIA Asset Management, rated AAA-V1 by Fitch. In addition the Township has \$1,009,521 of cash with fiscal agents, the insured status of which is unknown.

# Tobin & Co.

## Whitewater Township Notes to Financial Statements March 31, 2007

### NOTE 4 - CAPITAL/INTANGIBLE ASSETS

	<u>03/31/06</u>	<u>Additions</u>	<u>Deletions</u>	<u>03/31/07</u>
Governmental Activities:				
Land and Improvements	\$ 1,578,739	\$ 2,542,785	\$ -	\$ 4,121,524
Buildings and Improvements	486,109	-	-	486,109
Vehicles and Equipment	<u>278,509</u>	<u>9,098</u>	<u>1,946</u>	<u>285,661</u>
Total	2,343,357	2,551,883	1,946	4,893,294
Less Accumulated Depreciation	<u>(537,614)</u>	<u>(49,305)</u>	<u>(1,946)</u>	<u>(584,973)</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,805,743</u>	<u>\$ 2,502,578</u>	<u>\$ -</u>	<u>\$ 4,308,321</u>
Business-type Activities:				
Land	\$ 26,000	\$ -	\$ -	\$ 26,000
Sewer Systems	<u>325,846</u>	<u>-</u>	<u>-</u>	<u>325,846</u>
Total	351,846	-	-	351,846
Less Accumulated Depreciation	<u>(52,093)</u>	<u>(6,517)</u>	<u>-</u>	<u>(58,610)</u>
Business-type Activities Capital Assets, Net	<u>\$ 299,753</u>	<u>\$ (6,517)</u>	<u>\$ -</u>	<u>\$ 293,236</u>

Intangible assets at March 31, 2007 consisted of bond origination costs of \$7,725, less accumulated amortization of \$3,863 and \$3,433 at March 31, 2007 and 2006, respectively, and WMDLS road improvement in process of \$294,831.

### NOTE 5 - LOANS AND TRANSFERS BETWEEN FUNDS

The following advance balances between funds existed at March 31, 2007:

\$5 owed from the Current Property Tax Collection Fund to the General Fund.

The following inter-fund operating transfers were made during the audit year:

\$5,244 from the General Fund to the Park Fund  
 \$13,600 from the General Fund to the Ambulance Fund  
 \$38,000 from the Fire Fund to the Fire Capital Improvement Fund

### NOTE 6 - INVENTORIES

Whitewater Township does not maintain a substantial inventory of supplies or materials. Purchases are normally made as needed, and the items are recorded as expenses at time of purchase.

# Tobin & Co.

## Whitewater Township Notes to Financial Statements March 31, 2007

### NOTE 7 - LONG-TERM DEBT

Enterprise Fund long-term debt at March 31, 2007 consisted of 4.30% to 5.50% Grand Traverse County Whitewater Township Sanitary Sewer System Bonds. The bonds were issued on March 1, 1999 with an original issue amount of \$315,000 and an original issue discount of \$6,300. Principal payments are May 1 and interest May 1 and November 1.

Debt service requirements to maturity:

	<u>Principal</u>	<u>Interest</u>
2007	\$ 20,000	\$ 10,240
2008	20,000	9,210
2009	20,000	8,165
2010	20,000	7,110
2011	20,000	6,040
2012	20,000	4,950
2013	20,000	3,850
2014	20,000	2,750
2015	20,000	1,650
2016	20,000	550
	<u>\$ 200,000</u>	<u>\$ 54,515</u>

Governmental Funds long-term debt at March 31, 2007 consisted of the following:

4% bonds payable to Grand Traverse County Road Commission. The bonds were issued October 10, 2006 with an original amount of \$1,250,000 with an original issue premium of \$20,798. Principal payments are October 1, and interest April 1 and October 1. The Township is responsible for interest payments on the entire \$2,500,000 issue with the Road Commission responsible for \$1,250,000 of bond principal.

6% land contract payable to individuals, principal and interest due annually on September 29.

Five installment notes payable to Alden State Bank, various dates, 4.25% interest rate, principal and interest payments due annually on various dates.

<u>Year Ended March 31,</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ 94,833	\$ 101,380
2008	168,961	94,554
2009	139,727	82,113
2010	140,353	71,488
2011	142,417	61,795
2012	130,000	49,800
2013	132,500	39,300
2014	137,500	28,500
2015	142,500	17,300
2016	145,000	5,800
	<u>\$ 1,373,791</u>	<u>\$ 552,030</u>

Changes in Long-term Debt:

	<u>Principal Balance 3/31/06</u>	<u>Additions</u>	<u>Payments</u>	<u>Principal Balance 3/31/07</u>
Sanitary Sewer System Bonds	\$ 220,000	\$ -	\$ 20,000	\$ 200,000
Road Commission Bonds	-	1,250,000	-	1,250,000
Land Contract Payable	-	97,000	32,333	64,667
Notes Payable – Alden State Bank	<u>72,667</u>	<u>-</u>	<u>13,543</u>	<u>59,124</u>
Total	<u>\$ 292,667</u>	<u>\$ 1,347,000</u>	<u>\$ 65,876</u>	<u>\$ 1,573,791</u>

# Tobin & Co.

## Whitewater Township Notes to Financial Statements March 31, 2007

### NOTE 8 - RETIREMENT PLAN

The Township has a defined contribution pension plan for Michigan Township employees under contract with the John Hancock Life Insurance Company. Listed below is a summary of the significant plan provisions adopted by Board resolution in December 1968 and amended December 1995 and January 1996.

#### A. Eligibility Requirements

1. Attained age of 18 and not more than 75.
2. 90 days minimum service requirement.
3. All elected officials and full-time salaries employees.

#### B. Contributions

1. 10% of annual compensation funded entirely by the Township on an annual basis.
2. Compensation determined by the basic annual rate of compensation in effect at the beginning of the plan year.
3. Township pays 100% of required annual contribution.

#### C. Vesting

1. Contributions are vested to the employee immediately upon early retirement, termination of services, death, disability, or normal retirement at 100%.

#### D. Plan Administration

1. The plan is administered by the Township Clerk.

During the audit year, the total contribution for the plan year, April 1, 2005 to April 1, 2007 was \$11,478. Covered payroll for the year was \$114,775 with total payroll for all employees of \$212,104. The plan was funded at the required contribution amount.

### NOTE 9 - ACCOUNTS/TAXES RECEIVABLE

Accounts receivable of \$3,138 in the Ambulance Fund represent amounts due from individuals for ambulance service. Substantially all receivables in the General Fund and other Special Revenue Funds represent 2006 delinquent real and personal property taxes, property tax administration fees and swamp tax.

### NOTE 10- PROPERTY TAX ADMINISTRATION FEES

The Township levied the 1% administration fee permitted by statute on all 2006 property taxes. These fees may be used only to offset such property tax administration costs as assessing, collecting and the review and appeal process. Property tax administration fee collection and summer tax collection fees totaled \$55,539, while costs were \$51,233 for the audit year.

### NOTE 11- CONTINGENT LIABILITIES

Township officials are aware of no contingent liabilities at March 31, 2007.

### NOTE 12- COMPENSATED ABSENCES

The Township provides non-cumulative annual and personal leave to the Zoning Administrator. As of March 31, 2007, there was no liability for compensated absences.

### NOTE 13- RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the audit year the Township addressed these risks through the purchase of commercial insurance through Municipal Underwriters of Michigan and Burnham and Flowers Insurance Agency and Michigan Municipal League Workmen's Compensation Fund. There was no significant reduction of insurance coverage from prior years nor have the amounts of any settlements exceeded insurance coverage in any of the past three fiscal years.

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# Tobin & Co.

## Whitewater Township Notes to Financial Statements March 31, 2007

### NOTE 14- SEGMENT INFORMATION – ENTERPRISE FUND

The Township maintains a single enterprise fund, which provides sewer services. Segment information for the year ended March 31, 2007 was as follows:

Operating Revenues	\$ 26,940
Depreciation, Depletion and Amortization Expense	6,946
Operating Income	1,015
Net Income	1,015
Property, Plant, and Equipment: Additions	-
Net Working Capital	148,746
Total Assets	582,446
Bonds and Other Long-Term Liabilities:	
Payable from Operating Revenues	200,000
Total Equity	384,115

SUPPLEMENTAL DATA SECTION

# Tobin & Co.

## Whitewater Township Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual General Fund For the Year Ended March 31, 2007

Schedule 1  
Page 1

Revenues	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Taxes:				
Property Taxes	\$ 92,276	\$ 93,546	\$ 94,237	\$ 691
Penalties and Interest on Taxes	1,500	1,500	1,674	174
Property Tax Administration Fees	48,428	48,428	48,032	(396)
Swamp Tax and Commercial Forest Collection Fees	13,765	13,765	13,928	163
	7,368	7,368	7,507	139
Licenses and Permits:				
Land Use Permits	5,000	5,000	3,525	(1,475)
Franchise Fees	19,300	20,396	20,737	341
State Grants:				
State Shared Revenues	172,686	172,686	168,325	(4,361)
Charges for Services:				
Fees	5,000	5,400	3,900	(1,500)
Sales	1,600	4,900	4,323	(577)
Interest and Rents:				
Interest	5,500	8,329	15,015	6,686
Rents	-	19,303	19,303	-
Other:				
Refunds and Reimbursements	1,350	1,350	4,731	3,381
Private Grants	-	-	10,000	10,000
Miscellaneous	-	3,000	3,003	3
<b>Total Revenues</b>	<b>373,773</b>	<b>404,971</b>	<b>418,240</b>	<b>13,269</b>
<b>Expenditures</b>				
Legislative:				
Township Board:				
Salaries and Wages	-	-	8,132	-
Office Supplies	-	-	2,967	-
Postage	-	-	694	-
Audit and Accounting	-	-	5,449	-
Clean Up Day	-	-	9,060	-
Pension	-	-	9,272	-
Dues and Memberships	-	-	3,001	-
Meals and Lodging	-	-	701	-
Mileage	-	-	165	-
Education and Training	-	-	340	-
Publishing	-	-	1,311	-
Other	-	-	24	-
Boardman River Project	-	-	200	-
Township Newsletter	-	-	2,275	-
Refunds	-	-	186	-
<b>Total</b>	<b>52,335</b>	<b>49,225</b>	<b>43,777</b>	<b>5,448</b>
<b>Total Legislative</b>	<b>52,335</b>	<b>49,225</b>	<b>43,777</b>	<b>5,448</b>

The Notes to the Basic Financial Statements are an integral part of this statement.



# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
General Fund  
For the Year Ended March 31, 2007

Schedule 1  
Page 2

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<u>Expenditures (Continued)</u>				
General Government:				
Township Supervisor:				
Salaries and Wages	-	-	25,525	-
Office Supplies	-	-	220	-
Postage	-	-	126	-
Meals and Lodging	-	-	459	-
Mileage Reimbursement	-	-	791	-
Education	-	-	304	-
Total	<u>27,600</u>	<u>27,600</u>	<u>27,425</u>	<u>175</u>
Elections:				
Salaries and Wages	-	-	4,524	-
Office Supplies	-	-	517	-
Postage	-	-	636	-
Mileage Reimbursement	-	-	170	-
Publishing	-	-	536	-
Total	<u>6,137</u>	<u>6,591</u>	<u>6,383</u>	<u>208</u>
Assessor:				
Office Supplies	-	-	519	-
Postage	-	-	847	-
Assessing Services	-	-	20,400	-
Software Support	-	-	1,009	-
Total	<u>22,820</u>	<u>22,959</u>	<u>22,775</u>	<u>184</u>
Attorney:				
Legal Services	-	-	89,368	-
Total	<u>60,000</u>	<u>90,500</u>	<u>89,368</u>	<u>1,132</u>
Clerk:				
Salaries and Wages	-	-	27,628	-
Office Supplies	-	-	846	-
Postage	-	-	912	-
Software Support	-	-	1,950	-
Mileage	-	-	688	-
Education	-	-	539	-
Meals and Lodging	-	-	42	-
Total	<u>35,775</u>	<u>34,725</u>	<u>32,605</u>	<u>2,120</u>
Board of Review:				
Salaries and Wages	-	-	484	-
Office Supplies	-	-	162	-
Printing and Publishing	-	-	123	-
Education and Training	-	-	280	-
Total	<u>1,000</u>	<u>1,000</u>	<u>1,049</u>	<u>(49)</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
General Fund  
For the Year Ended March 31, 2007

Schedule 1  
Page 3

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
Expenditures (Continued)				
General Government (Continued):				
Treasurer:				
Salaries and Wages	-	-	25,704	-
Office Supplies	-	-	978	-
Postage	-	-	2,433	-
Software Support	-	-	445	-
Mileage Reimbursement	-	-	1,626	-
Meals and Lodging	-	-	211	-
Education and Training	-	-	606	-
Total	33,325	33,325	32,003	1,322
Township Hall and Grounds:				
Operating Supplies	-	-	895	-
Lawn Maintenance	-	-	975	-
Janitorial	-	-	1,341	-
Waste Removal	-	-	213	-
Snow Plowing	-	-	600	-
Internet	-	-	330	-
Electricity	-	-	1,517	-
Heat	-	-	2,064	-
Telephone	-	-	3,397	-
Maintenance and Repairs	-	-	5,815	-
Total	17,650	17,950	17,147	803
Cemetery:				
Operating Supplies	-	-	476	-
Cemetery Sexton	-	-	1,450	-
Lawn Maintenance	-	-	4,350	-
Electricity	-	-	99	-
Total	6,346	6,496	6,375	121
Total General Government	210,653	241,146	235,130	6,016
Public Safety:				
Planning Commission:				
Salaries and Wages	-	-	5,020	-
Professional Services	-	-	13,770	-
Dues and Memberships	-	-	600	-
Education and Training	-	-	1,035	-
Publishing	-	-	978	-
Total	12,180	21,480	21,403	77

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
General Fund  
For the Year Ended March 31, 2007

Schedule 1  
Page 4

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures (Continued)</u>				
Public Safety (Continued):				
Zoning Administrator/Planner:				
Salaries and Wages	-	-	30,430	-
Office Supplies	-	-	772	-
Postage	-	-	323	-
Professional Services	-	-	840	-
Pension Plan	-	-	3,041	-
Mileage and Reimbursement	-	-	1,473	-
Meals and Lodging	-	-	662	-
Education and Training	-	-	812	-
Total	<u>40,752</u>	<u>39,652</u>	<u>38,353</u>	<u>1,299</u>
Zoning Board of Appeals:				
Salaries	-	-	480	-
Wages	-	-	150	-
Education and Training	-	-	530	-
Publishing	-	-	431	-
Total	<u>3,125</u>	<u>2,075</u>	<u>1,591</u>	<u>484</u>
Total Public Safety	<u>56,057</u>	<u>63,207</u>	<u>61,347</u>	<u>1,860</u>
Recreation and Cultural:				
Historical Society	<u>600</u>	<u>600</u>	<u>-</u>	<u>600</u>
Total Recreation and Cultural	<u>600</u>	<u>600</u>	<u>-</u>	<u>600</u>
Other:				
Employee Health Insurance	2,454	2,454	2,363	91
Social Security/Medicare	9,740	9,841	9,466	375
Insurance	15,800	14,670	14,670	-
Contingency	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>37,994</u>	<u>26,965</u>	<u>26,499</u>	<u>466</u>
Capital Outlay	<u>1,750</u>	<u>6,350</u>	<u>6,348</u>	<u>2</u>
Total Expenditures	<u>359,389</u>	<u>387,493</u>	<u>373,101</u>	<u>14,392</u>
<u>Excess Revenues (Expenditures)</u>	<u>14,384</u>	<u>17,478</u>	<u>45,139</u>	<u>27,661</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
General Fund  
For the Year Ended March 31, 2007

Schedule 1  
Page 5

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Expenditures (Continued)</u>				
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	(15,750)	(18,844)	(18,844)	-
Total	(15,750)	(18,844)	(18,844)	-
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	(1)	\$ (1,366)	\$ (1,366)	26,295
Fund Balance – Beginning of Year			273,452	
Fund Balance – End of Year			\$ 299,747	
(1) Budgeted from Fund Balance				

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Fire Fund  
For the Year Ended March 31, 2007

Schedule 2

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes:				
Property Taxes	\$ 148,741	\$ 148,741	\$ 148,745	\$ 4
Interest and Rents:				
Rent	4,000	4,000	4,000	-
Interest	2,000	2,177	3,153	976
Other:				
Donations	-	-	100	100
Refunds and Reimbursements	-	5,883	5,883	-
Total Revenues	<u>154,741</u>	<u>160,801</u>	<u>161,881</u>	<u>1,080</u>
<u>Expenditures</u>				
Salaries and Wages	-	-	9,927	-
Social Security and Medicare	-	-	755	-
Supplies	-	-	4,874	-
Contractual	-	-	88,495	-
Trash and Snow Removal	-	-	890	-
Telephone	-	-	1,744	-
Public Utilities	-	-	5,720	-
Maintenance and Repairs	-	-	6,997	-
Mileage Reimbursement	-	-	1,043	-
Total	<u>154,741</u>	<u>122,801</u>	<u>120,445</u>	<u>2,356</u>
<u>Excess Revenues (Expenditures)</u>	<u>-</u>	<u>38,000</u>	<u>41,436</u>	<u>3,436</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	-	(38,000)	(38,000)	-
Total	<u>-</u>	<u>(38,000)</u>	<u>(38,000)</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>3,436</u>	<u>\$ 3,436</u>
Fund Balance – Beginning of Year			<u>120,541</u>	
Fund Balance – End of Year			<u>\$ 123,977</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Park Fund  
For the Year Ended March 31, 2007

Schedule 3  
Page 1

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Charges for Services:				
Camping Fees	\$ 73,000	\$ 75,506	\$ 75,506	\$ -
Boat Ramp Fees	7,500	8,385	8,385	-
Reservation Fees	3,000	3,205	3,205	-
Ice Sales	3,500	4,783	4,783	-
Pop Sales	700	725	675	(50)
Wood Sales	2,500	2,870	2,870	-
Shower Fees	1,800	1,815	1,762	(53)
Interest and Rents:				
Interest	70	860	910	50
Rent	1,600	1,650	1,650	-
Other:				
Private Grant	-	20,000	20,000	-
Miscellaneous	130	304	320	16
<b>Total Revenues</b>	<u>93,800</u>	<u>120,103</u>	<u>120,066</u>	<u>(37)</u>
<b>Expenditures</b>				
Township Park:				
Salaries	-	-	3,780	-
Wages	-	-	44,699	-
Office Supplies	-	-	784	-
Postage	-	-	219	-
Operating Supplies	-	-	5,904	-
Ice	-	-	2,248	-
Pop	-	-	644	-
Uniforms	-	-	306	-
Professional Services	-	-	322	-
Lawn Maintenance	-	-	3,200	-
Waste Removal	-	-	1,089	-
Septic Services	-	-	2,612	-
Unemployment	-	-	2,023	-
Mileage	-	-	75	-
Electricity	-	-	4,004	-
Propane	-	-	1,764	-
Telephone	-	-	1,896	-
Sales Tax	-	-	433	-
Maintenance and Repairs	-	-	13,152	-
Capital Outlay	-	-	15,617	-
<b>Total</b>	<u>75,400</u>	<u>105,596</u>	<u>104,771</u>	<u>825</u>
Social Security/Medicare:				
Social Security	-	-	3,006	-
Medicare	-	-	703	-
<b>Total</b>	<u>3,183</u>	<u>3,709</u>	<u>3,709</u>	<u>-</u>
Debt Service:				
Principal	-	-	13,544	-
Interest	-	-	3,097	-
<b>Total</b>	<u>16,641</u>	<u>16,641</u>	<u>16,641</u>	<u>-</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Park Fund  
For the Year Ended March 31, 2007

Schedule 3  
Page 2

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Total Expenditures	<u>95,224</u>	<u>125,946</u>	<u>125,121</u>	<u>825</u>
<u>Excess Revenues (Expenditures)</u>	<u>(1,424)</u>	<u>(5,843)</u>	<u>(5,055)</u>	<u>788</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	1,500	5,244	5,244	-
Operating Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>1,500</u>	<u>5,244</u>	<u>5,244</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ 76</u>	<u>\$ (599)</u>	189	<u>\$ 788</u>
Fund Balance – Beginning of Year			<u>720</u>	
Fund Balance – End of Year			<u>\$ 909</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Public Improvement Fund  
For the Year Ended March 31, 2007

Schedule 4

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
State Grants:				
Natural Resources	\$ -	\$ 1,812,374	\$ 1,812,374	\$ -
Interest and Rents:				
Interest	100	100	508	408
Other:				
Private Grant	-	142,668	142,668	-
Private Grant – In Kind	-	<u>454,958</u>	<u>454,958</u>	-
Total Revenues	<u>100</u>	<u>2,410,100</u>	<u>2,410,508</u>	<u>408</u>
<u>Expenditures</u>				
Capital Outlay	-	1,964,042	1,964,042	-
Capital Outlay – In Kind	-	<u>454,958</u>	<u>454,958</u>	-
Total Expenditures	<u>-</u>	<u>2,419,000</u>	<u>2,419,000</u>	<u>-</u>
<u>Excess Revenues (Expenditures)</u>	(1) <u>\$ 100</u>	<u>\$ (8,900)</u>	<u>(8,492)</u>	<u>\$ 408</u>
Fund Balance – Beginning of Year			<u>11,780</u>	
Fund Balance – End of Year			<u>\$ 3,288</u>	
(1) Budgeted from Fund Balance				

The Notes to the Basic Financial Statements are an integral part of this statement.



# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance -- Budget and Actual  
Fire Capital Improvement Fund  
For the Year Ended March 31, 2007

Schedule 5

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Interest and Rents:				
Interest	\$ 5,600	\$ 5,600	\$ 8,116	\$ 2,516
Other:				
Private Grant -- In Kind	-	12,200	12,200	-
Total	<u>5,600</u>	<u>17,800</u>	<u>20,316</u>	<u>2,516</u>
<u>Expenditures</u>				
Capital Outlay	-	102,667	97,469	5,198
Capital Outlay -- In Kind	-	12,200	12,200	-
Total	<u>-</u>	<u>114,867</u>	<u>109,669</u>	<u>5,198</u>
<u>Excess Revenues (Expenditures)</u>	<u>5,600</u>	<u>(97,067)</u>	<u>(89,353)</u>	<u>7,714</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds of Loan	-	64,667	64,667	-
Operating Transfers In	-	38,000	38,000	-
Operating Transfers (Out)	-	-	-	-
Total	<u>-</u>	<u>102,667</u>	<u>102,667</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ 5,600</u>	<u>\$ 5,600</u>	<u>13,314</u>	<u>\$ 7,714</u>
Fund Balance -- Beginning of Year			<u>222,055</u>	
Fund Balance -- End of Year			<u>\$ 235,369</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance  
WMDLS Road Special Assessment Fund  
For the Year Ended March 31, 2007

Schedule 6

<u>Revenues</u>	<u>Actual</u>
Interest and Rents:	
Interest	\$ 53,339
Other:	
Special Assessments	<u>250.995</u>
Total	<u>304.334</u>
<u>Expenditures</u>	
Capital Outlay	285,224
Debt Service	50,112
Other	<u>30</u>
Total	<u>335.366</u>
<u>Excess Revenues (Expenditures)</u>	<u>(31.032)</u>
<u>Other Financing Sources (Uses)</u>	
Proceeds of Loan	1,285,746
Operating Transfers In	-
Operating Transfers (Out)	<u>-</u>
Total	<u>1,285.746</u>
<u>Excess Revenues (Expenditures) and</u> <u>Other Financing Sources (Uses)</u>	1,254.714
Fund Balance – Beginning of Year	<u>-</u>
Fund Balance – End of Year	<u>\$ 1,254.714</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

## Whitewater Township Combining Balance Sheet Non-Major Governmental Funds March 31, 2007

Schedule 7

	<u>Special Revenue</u>				
<u>Assets</u>	<u>Road Fund</u>	<u>Ambulance Fund</u>	<u>Ambulance Replacement Fund</u>	<u>Recreation Fund</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 10,980	\$ 3,174	\$ 19,644	\$ 6,390	\$ 40,188
Accounts Receivable	-	3,138	-	239	3,377
<b>Total Assets</b>	<b><u>\$ 10,980</u></b>	<b><u>\$ 6,312</u></b>	<b><u>\$ 19,644</u></b>	<b><u>\$ 6,629</u></b>	<b><u>\$ 43,565</u></b>
 <u>Liabilities and Fund Equity</u>					
Liabilities:					
Accounts Payable	-	1,010	-	-	1,010
<b>Total</b>	<b><u>-</u></b>	<b><u>1,010</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>1,010</u></b>
Fund Equity:					
Fund Balance – Unrestricted	611	5,302	19,644	6,629	32,186
Fund Balance – Restricted	10,369	-	-	-	10,369
<b>Total Fund Equity</b>	<b><u>10,980</u></b>	<b><u>5,302</u></b>	<b><u>19,644</u></b>	<b><u>6,629</u></b>	<b><u>42,555</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 10,980</u></b>	<b><u>\$ 6,312</u></b>	<b><u>\$ 19,644</u></b>	<b><u>\$ 6,629</u></b>	<b><u>\$ 43,565</u></b>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

## Whitewater Township Combining Statement of Revenues, Expenditures and Changes in Fund Balance Non-Major Governmental Funds March 31, 2007

Schedule 8

	<u>Special Revenue</u>				
<u>Revenues</u>	<u>Road Fund</u>	<u>Ambulance Fund</u>	<u>Ambulance Replacement Fund</u>	<u>Recreation Fund</u>	<u>Total</u>
Taxes:					
Current Taxes	\$ -	\$ -	\$ -	\$ 190	\$ 190
Penalties and Interest on Taxes	-	-	-	7	7
State Grants:					
Metro Act	5,714	-	-	-	5,714
Charges for Services:					
Fees	-	23,605	-	1,250	24,855
Sales	-	-	-	369	369
Interest and Rents:					
Interest	427	42	1,006	529	2,004
Total	<u>6,141</u>	<u>23,647</u>	<u>1,006</u>	<u>2,345</u>	<u>33,139</u>
<u>Expenditures</u>					
Public Works	1,366	-	-	-	1,366
Recreation and Culture	-	36,604	-	12,293	48,897
Capital Outlay	-	-	-	7,968	7,968
Total	<u>1,366</u>	<u>36,604</u>	<u>-</u>	<u>20,261</u>	<u>58,231</u>
<u>Excess Revenues (Expenditures)</u>	<u>4,775</u>	<u>(12,957)</u>	<u>1,006</u>	<u>(17,916)</u>	<u>(25,092)</u>
<u>Other Financing Sources (Uses)</u>					
Operating Transfers In	-	13,600	-	-	13,600
Operating Transfers (Out)	-	-	-	-	-
Total	<u>-</u>	<u>13,600</u>	<u>-</u>	<u>-</u>	<u>13,600</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>4,775</u>	<u>643</u>	<u>1,006</u>	<u>(17,916)</u>	<u>(11,492)</u>
Fund Balance -- Beginning of Year	<u>6,205</u>	<u>4,659</u>	<u>18,638</u>	<u>24,545</u>	<u>54,047</u>
Fund Balance -- End of Year	<u>\$ 10,980</u>	<u>\$ 5,302</u>	<u>\$ 19,644</u>	<u>\$ 6,629</u>	<u>\$ 42,555</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

## Whitewater Township 2006 Property Tax Levy and Collections For the Year Ended March 31, 2007

Schedule 9

	<u>Millage Rate</u>	<u>Adjusted Levy</u>	<u>Collected</u>	<u>Returned Delinquent</u>
County	5.0154	\$ 776,147	\$ 725,764	\$ 50,383
Commission on Aging	0.4890	75,538	69,411	6,127
Medical Care	0.6637	102,702	94,211	8,491
BATA	0.3317	51,325	47,080	4,245
State Education	6.0000	925,087	876,509	48,578
School District:				
Elk Rapids	20.3600	1,546,731	1,426,996	119,735
Traverse City	21.1000	9,505	9,386	119
Intermediate School District	2.9421	455,281	429,787	25,494
Community College	2.9138	450,809	419,620	31,189
District Library	1.1029	170,700	156,553	14,147
Township:				
General	0.6090	94,239	86,446	7,793
Fire Protection	1.0000	148,462	137,679	10,783
Special Assessments		202,037	174,605	27,432
Sewer Usage		858	330	528
Commercial Forest Reserve		<u>453</u>	<u>365</u>	<u>88</u>
Total		<u>\$ 5,009,874</u>	<u>\$ 4,654,742</u>	<u>\$ 355,132</u>
Percent of Levy Collected		92.91%		

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

## Whitewater Township Statement of Revenues, Expenditures and Balance Property Tax Administration Fees For the Year Ended March 31, 2007

Schedule 10

### Revenues

Summer Property Tax Administration Fees	\$ 48,032
Summer Property Tax Collection Fee	<u>7,507</u>
Total	<u>55,539</u>

### Expenditures

Assessor	20,400
Assessor Expenses	2,375
Treasurer – (80% of Salary)	20,420
Treasurer Expenses	6,478
Board of Review	1,049
Supervisor – (2% of Salary)	<u>511</u>
Total	<u>51,233</u>

Excess Revenues \$ 4,306

Accumulated Excess (Expenditures) \$ (208,947)

The Notes to the Basic Financial Statements are an integral part of this statement.